

November 10, 2021: Marketing Update

Futures as of	11/10/21	11/03/21	Trend	
CZ21 Dec CORN	\$5.69	\$5.64	Neutral	0.9%
SX21 Nov SOYBEANS	\$12.04	\$12.32	Bearish	-2.3%
CTZ21 Dec COTTON	\$118.68	\$118.82	Neutral	-0.1%

FLOID FARMS (Example)

FUTURES TARGET PRICES		FLOID FARM
BREAKEVEN	GROWTH	Current Value
\$3.99	\$4.29	\$5.49
\$12.00	\$10.73	\$13.08
\$82.00	\$77.00	\$94.19
BREAKEVEN	GROWTH	Current Value
<i>Preliminary Targets as of 11/10/2021</i>		
\$5.04	\$5.34	\$5.49
\$12.46	\$13.72	\$12.24
\$89.00	\$94.00	\$91.20
\$7.96	\$8.67	\$8.06

2022 Crop Prices

CU22 Sep CORN	\$5.59	\$5.53	Bullish	1.1%
CZ22 Dec CORN	\$5.49	\$5.46	Neutral	0.5%
SX22 Nov SOYBEANS	\$12.24	\$12.39	Bearish	-1.2%
CTZ22 Dec COTTON	\$91.20	\$92.60	Bearish	-1.5%
WN22 Jul WHEAT	\$8.06	\$7.87	Bullish	2.4%

UPCOMING EVENTS:

2022 SC Ag Outlook

The Clemson Agribusiness team invites you to attend the 6th Annual Ag Outlook at the Sandhill REC Lake House on **November 18th**. Dr. Brian Briggeman of Kansas State University will provide his 2022 Macroeconomic, interest rate, and inflation outlook. Other outlooks include grains, cotton, peanuts, commodity costs & returns as well as a tax and trade update. Virtual or in-person attendance is available. Register today at [Clemson.edu/extension/agribusiness/index.html](https://www.clemson.edu/extension/agribusiness/index.html)

23rd Annual Executive Marketing: Developing a Marketing Plan

Join us at the EM seminar **January 5-7, 2022**, at the Litchfield Golf & Beach Resort to write your 2022 Commodity Marketing Plan. Speakers include Dr. David Kohl, Virginia Tech; Eric Snodgrass, Nutrien; Doug Johnson, Moody's Analytics; and Scott Mickey, Clemson University. Register at <https://www.eventbrite.com/e/2022-executive-marketing-registration-194509231347>

2022 Executive Farm Management Program

The Executive Farm Management (EFM) program is created for large, commercial, family-owned operations in the Southeast whose operations represent the diversity of agriculture. The primary focus of EFM is to ensure participants have the tools they need to succeed in today's challenging business environment. The program builds core competencies in strategic planning, financial management and human resource management. It is delivered in a highly interactive, facilitated, and relevant setting custom designed for the participants. *Learn more about the program at go.ncsu.edu/efm*

NOVEMBER WASDE HIGHLIGHTS

CORN

- 177 bpa projected US corn yield highest on record (*increased .5 bpa compared to last month*)
- Corn used for ethanol up to 5.25B, highest usage since 2018/19.
- 2021/22 Ending Stocks to Use ratio is 10.1%, compared to 8.3% for 2019/20

The information and any views expressed herein are provided for **informational and educational purposes ONLY**. This is not an endorsement or inducement to invest.

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SOYBEANS

- 51.2 bpa projected US soybean yield is second highest on record (*decreased .3 bpa compared to last month*)
- Soybean exports reduced 50M bushels from last month on slower shipments and reduced global imports.
- 2021/22 Ending Stocks to Use ratio is 7.8%, compared to 5.7% for 2019/20

COTTON

- USDA cash cotton price projected to be \$90.00 compared to \$66.30 in 2019/20
- 2021/22 Ending Stocks to Use ratio is 18.9%, compared to 16.8% for 2019/20

WHEAT

- US Ending stocks expected to decline in 2021/22 to 583M bushels. Fifth consecutive year of declining stocks
- 2021/22 Ending Stocks to Use ratio is 28.8%, compared to 40.0% for 2019/20

WORLD STOCKS

- Coarse Grains: Projected World stocks up 1.95M tons to 289.18 compared to previous year
- Oilseeds: Projected World stocks up 1.5M tons to 115.19 compared to previous year
- Cotton: Projected World stocks down 2.35M bales to 86.93 compared to previous year
- Wheat: Projected World stocks down 1.4M tons to 275.8 compared to previous year

MARKET OUTLOOK

CZ21 (December Corn) and CTZ21 (December 2021 Cotton) continue to offer profitable pricing opportunities for 2021 production. CZ21 is trending higher since a low of \$5.12 on October 13th but may find resistance around the \$5.80. Likewise, cotton has sharply trended higher since a September 20th low of \$89.02 but has some resistance at \$120.00. Producers should catch up on both corn and cotton pricing as current prices offer significant equity growth. SX21 (November Soybeans) prices are good from a historical perspective but trending lower since October 1st.

Crop prices for 2022 look attractive based on 2021 input costs. However, given likely increases in interest rates, fuel, labor as well as fertilizer, the 2022 prices may only be offering a breakeven opportunity. Be in contact with input suppliers to check on 2022 input costs and availability to update your operations' cost of production.

MARKETING PLAN UPDATE

FLOID Farms would like to sell the remaining 10% of its 2021 cotton crop at \$1.20 or better. FF is not making any other changes at this time but may price the remainder of corn and soybeans on future price rallies.

Review your marketing activity to confirm that your marketing plan is achieving your goals.

2021 CORN **FUTURES PRICING SIGNALS** \$ 4.29 \$ 3.99 \$ 3.99

Recommendation						ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)	
1/11/2021	Futures/HTA	Sell CU21 @ \$4.60 OB	\$0.31 > Growth Target	10%	Rolled	1/12/2021	4.7500	9/3/2021	5.0800	-0.3300	
1/11/2021	Futures/HTA	Roll CU21 to CZ21 @ \$0.12 OB	Adds \$0.28 to price	75%	Filled	9/3/2021	5.0800	9/3/2021	5.2400	-0.1600	
1/11/2021	Option	SELL CU21 520 Call @ \$0.25 OB	Sets max price \$1.16 > Growth	10%	Closed	1/12/2021	0.3000	8/24/2021	-0.2000	0.1000	
1/29/2021	Put Call Option	BUY CU21 470 PUT @ \$0.46 OB	Set Fence from \$4.54 to \$5.20	15%	Closed	2/3/2021	-0.4100	6/28/2021	0.1000	-0.3100	
1/29/2021	Put Call Option	SELL CU21 520 Call @ \$0.30 OB	Set Fence from \$4.54 to \$5.20	15%	Closed	2/3/2021	0.3100	8/24/2021	-0.2000	0.1100	
2/15/2021	Put Call Option	BUY CU21 470 PUT @ \$0.38 OB	Set Fence from \$4.57 to \$5.20	10%	Closed	2/16/2021	-0.3500	9/3/2021	0.1000	-0.2500	
2/15/2021	Put Call Option	SELL CU21 520 Call @ \$0.25 OB	Set Fence from \$4.57 to \$5.20	10%	Closed	2/16/2021	0.2900	8/24/2021	-0.2000	0.0900	
3/26/2021	Put Call Option	BUY CU21 440 PUT @ \$0.19 OB	GROWTH Floor - Planting Intention	20%	Closed	3/31/2021	-0.1500	5/21/2021	0.0400	-0.1100	
3/26/2021	Put Call Option	SELL CU21 520 Call @ \$0.28 OB	GROWTH Floor - Planting Intention	20%	Closed	4/1/2021	0.3500	8/24/2021	-0.2000	0.1500	
5/20/2021	Futures/HTA	Sell CU21 @ \$5.70 OB	To offset CU21 440 Puts	20%	Rolled	5/20/2021	5.7900	9/3/2021	5.0800	0.7100	
6/24/2021	Futures/HTA	Sell CU21 @ \$5.50 OB	\$1.21 > Growth Target	20%	Rolled	6/25/2021	5.5500	9/3/2021	5.0800	0.4700	
6/24/2021	Roll Puts	Buy/Sell CU21 510P/470P @ \$0.10 OB	Roll Put Floor from \$4.70 to \$5.10	25%	Closed	6/28/2021	-0.1900	8/24/2021	0.0075	-0.1825	
8/4/2021	Futures/HTA	Sell CU21 @ \$5.60 OB	\$1.31 > Growth Target	25%	Rolled	8/6/2021	5.6000	9/3/2021	5.0800	0.5200	
8/4/2021	Futures/HTA	Sell CU21 @ \$5.90 OB	\$1.61 > Growth Target	15%	Pending	11/10/2021	5.6925				

2021 SOYBEANS **FUTURES PRICING SIGNALS** \$ 12.00 \$ 10.73 \$ 10.75

Recommendation						ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)	
1/11/2021	Futures/HTA	Sell SX21 @ \$11.75 OB	\$1.00 > B/E Target, Builds Working Cap	10%	Filled	1/12/2021	11.7500	11/10/2021	12.0350	-0.2850	
1/29/2021	Put Call Option	BUY SX21 1140 PUT @ \$0.85 OB	Set Fence from \$11.03 to \$13.00	15%	Closed	2/3/2021	-0.8500	5/21/2021	0.0550	-0.7950	
1/29/2021	Put Call Option	SELL SX21 1300 Call @ \$0.47 OB	Set Fence from \$11.03 to \$13.00	15%	Closed	2/3/2021	0.5000	10/4/2021	-0.0300	0.4700	
3/26/2021	Put Call Option	BUY SX21 1140 PUT @ \$0.41 OB	BE+ \$.72 GROW-Planting Intention	25%	Closed	3/29/2021	-0.4000	5/21/2021	0.0550	-0.3450	
3/26/2021	Put Call Option	SELL SX21 1300 Call @ \$0.46 OB	BE+ \$.72 GROW-Planting Intention	25%	Closed	3/31/2021	0.4800	10/4/2021	-0.0300	0.4500	
5/20/2021	Futures/HTA	Sell SX21 @ \$13.75 OB	To offset SX21 1140 Puts	40%	Filled	5/20/2021	13.8000	11/10/2021	12.0350	1.7650	
8/4/2021	Futures/HTA	Sell SX21 @ \$13.50 OB	\$1.50 > Growth Target	25%	Filled	8/12/2021	13.6000	11/10/2021	12.0350	1.5650	
8/4/2021											

2021 COTTON **FUTURES PRICING SIGNALS** \$ 0.82 \$ 0.77 \$ 0.77

Recommendation						ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)	
1/11/2021	Futures/HTA	Sell CTZ21 @ \$0.77 OB	Achieves B/E Target, maintains WC	10%	Filled	1/12/2021	0.7700	11/10/2021	1.1868	-0.4168	
1/29/2021	Put Call Put Option	BUY CTZ21 7800 PUT @ \$0.06 OB	Set Fence from \$.78 to \$.84	15%	Filled	2/4/2021	-0.0550	11/10/2021	0.0001	-0.0549	
1/29/2021	Put Call Put Option	SELL CTZ21 8400 Call @ \$0.04 OB	Set Fence from \$.78 to \$.84	15%	Closed	2/4/2021	0.0550	9/20/2021	-0.0661	-0.0111	
1/29/2021	Put Call Put Option	Sell CTZ21 6900 Put @ \$0.02 OB	Cheaper Cost of strategy	15%	Filled	2/4/2021	0.0200	11/10/2021	-0.0001	0.0199	
3/8/2021	Put Call Put Option	BUY CTZ21 8400 PUT @ \$0.056 OB	Set Fence from \$.84 to \$.90	15%	Closed	3/9/2021	-0.0616	8/5/2021	0.0204	-0.0412	
3/8/2021	Put Call Put Option	SELL CTZ21 9000 Call @ \$0.053 OB	Set Fence from \$.84 to \$.90	15%	Closed	3/9/2021	0.0536	8/5/2021	-0.0588	-0.0052	
6/24/2021	Futures/HTA	Sell CTZ21 @ \$0.87 OB	\$.05 > Growth Target	20%	Filled	6/25/2021	0.8755	11/10/2021	1.1868	-0.3113	
8/4/2021	Futures/HTA	Sell CTZ21 @ \$0.905 OB	\$.085 > Growth Target	20%	Filled	8/9/2021	0.9100	11/10/2021	1.1868	-0.2768	
9/20/2021	Futures/HTA	Sell CTZ21 @ \$0.905 OB	\$.085 > Growth Target	20%	Filled	9/22/2021	0.9050	11/10/2021	1.1868	-0.2818	
10/6/2021	Futures/HTA	Sell CTZ21 @ \$1.10 OB	\$.28 > Growth Target	20%	Filled	10/7/2021	1.1100	11/10/2021	1.1868	-0.0768	
11/10/2021	Futures/HTA	Sell CTZ21 @ \$1.20 OB	\$.38 > Growth Target	10%	Pending	11/10/2021	1.1868				

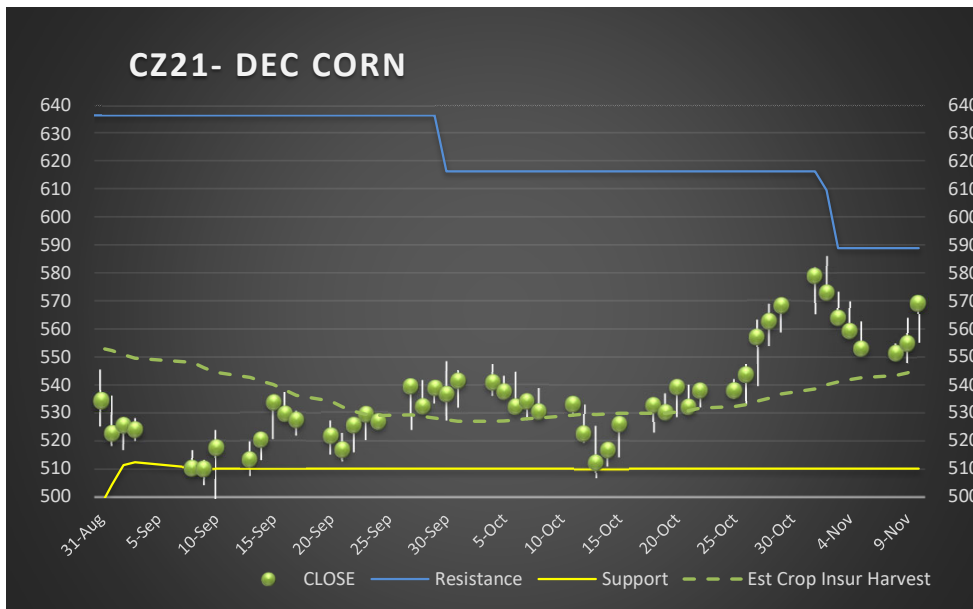
2021 WHEAT **FUTURES PRICING SIGNALS** \$ 6.91 \$ 6.20 \$ 6.23

Recommendation						ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)	
1/11/2021	Futures/HTA	Sell WN21 @ \$6.40 OB	\$0.20 > B/E Target, Builds Working Cap	10%	Filled	1/12/2021	6.4500	11/10/2021	0.0000	6.4500	
1/29/2021	Put Call Option	BUY WN21 630 PUT @ \$0.45 OB	Set Fence from \$6.17 to \$7.00	15%	Closed	2/5/2021	-0.4450	5/21/2021	0.1200	-0.3250	
1/29/2021	Put Call Option	SELL WN21 700 Call @ \$0.32 OB	Set Fence from \$6.17 to \$7.00	15%	Closed	2/1/2021	0.3400	6/25/2021	0.0000	0.3400	
2/15/2021	Put Call Option	BUY WN21 630 PUT @ \$0.45 OB	Set Fence from \$6.20 to \$7.00	15%	Closed	2/16/2021	-0.3800	5/21/2021	0.1200	-0.2600	
2/15/2021	Put Call Option	SELL WN21 700 Call @ \$0.32 OB	Set Fence from \$6.20 to \$7.00	15%	Closed	2/24/2021	0.3600	6/25/2021	0.0000	0.3600	
5/20/2021	Futures/HTA	Sell WN21 @ \$6.85 OB	To offset WN21 630 Puts	30%	Filled	5/20/2021	6.8500	8/5/2021	0.0000	6.8500	
6/24/2021	Futures/HTA	Sell WN21 @ \$6.55 OB	To complete 2021 Sales	60%	Filled	6/25/2021	6.5600	11/10/2021	0.0000	6.5600	



CORN SUPPLY & DEMAND					
WASDE as of 11/09/21					
	19/20	20/21	21/22	22/23	23/24
	WASDE-618	WASDE-618	WASDE-618	Estimate	Estimate
Planted	89.7	90.7	93.3	92.0	91.7
Harvested	81.3	82.3	85.1	84.3	84.0
Yield	167.5	171.4	177.0	180.0	182.0
Beg Stocks	2,221	1,919	1,236	1,493	1,752
Production	13,620	14,111	15,062	15,174	15,288
Imports	42	24	25	25	27
Total Supply	15,882	16,055	16,323	16,692	17,067
Feed	5,903	5,597	5,650	5,800	6,000
Food/Seed	1,430	1,437	1,430	1,440	1,445
Ethanol	4,852	5,032	5,250	5,200	5,200
Exports	1,778	2,753	2,500	2,500	2,550
Total Demand	13,963	14,819	14,830	14,940	15,195
Ending Stocks (ES)	1,919	1,236	1,493	1,752	1,872
Percent Use	14%	8%	10%	12%	12%
USDA Price	\$ 3.56	\$ 4.53	\$ 5.45	-	-
<i>Futures as of 11/10/2021</i>			\$5.69	\$5.49	

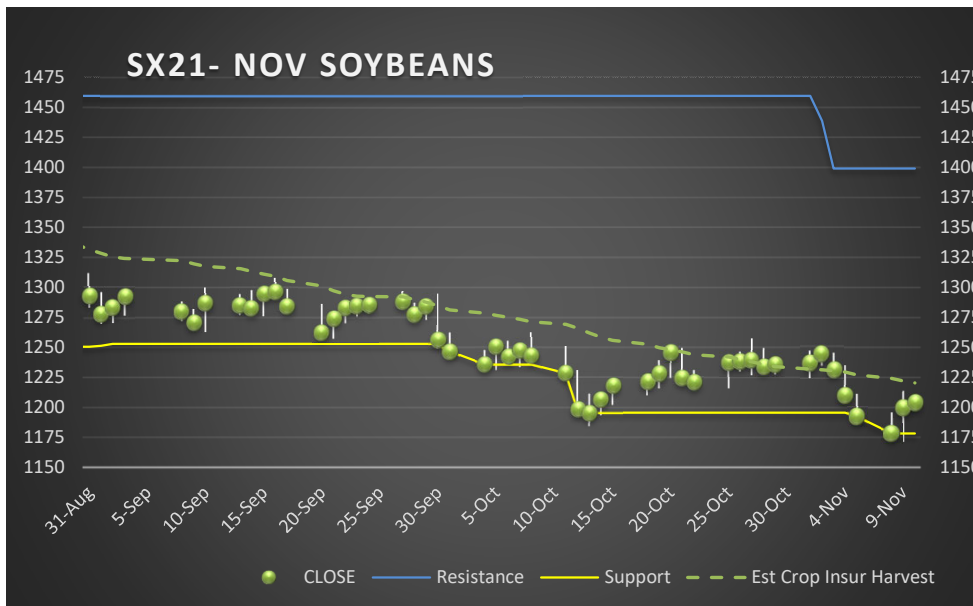
FUTURES PRICING SIGNALS			
	\$ 4.29	\$ 3.99	\$ 3.99
1) Futures as of 11/10/2021	=====>	\$5.69	0
2) What is Crop Insurance doing?	NC-CZ21	SC-CU21	
a) Base Price	\$ 4.48	\$ 4.73	
b) Harvest Price (PENDING)	\$ 5.46	\$ 5.52	
3) Fundamentals - where are prices headed?			
a) Seasonality		DOWN	
b) Ending Stocks		DOWN	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)			\$ 5.89
b) Support (Lowest Close last 100 Days)			\$ 5.10
c) Moving Average		Change	% Change
5 day	\$ 5.58	5 1/4	0.93%
20 day	\$ 5.49	57	11.13%
50 day	\$ 5.36	26 1/2	4.88%
100 day	\$ 5.44	3	0.53%
YTD	\$ 5.23	134 3/4	31.01%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	75%	\$5.08	CZ21
Unpriced	25%	\$5.69	CZ21
Open Options		\$0.00	
Closed Positions		\$0.26	
Current Value	100%	\$5.49	CZ21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			

SOYBEAN SUPPLY & DEMAND		WASDE as of 11/09/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-618	WASDE-618	WASDE-618	Estimate	Estimate	
Planted	76.1	83.4	87.2	88.4	88.5	
Harvested	74.9	82.6	86.4	87.5	87.6	
Yield	47.4	51.0	51.2	51.4	52.0	
Beg Stocks	909	525	256	340	360	
Production	3,553	4,216	4,425	4,500	4,555	
Imports	15	20	15	15	15	
Total Supply	4,477	4,761	4,696	4,855	4,930	
Crush	2,165	2,141	2,190	2,240	2,280	
Seed/Residual	105	99	117	125	130	
Exports	1,682	2,265	2,050	2,130	2,160	
Total Demand	3,952	4,505	4,356	4,495	4,570	
End Stocks (ES)	525	256	340	360	360	
Percent Use	13%	6%	8%	8%	8%	
USDA Price	\$ 8.57	\$ 10.80	\$ 12.10			
Futures as of 11/10/2021			\$12.04	\$12.24		

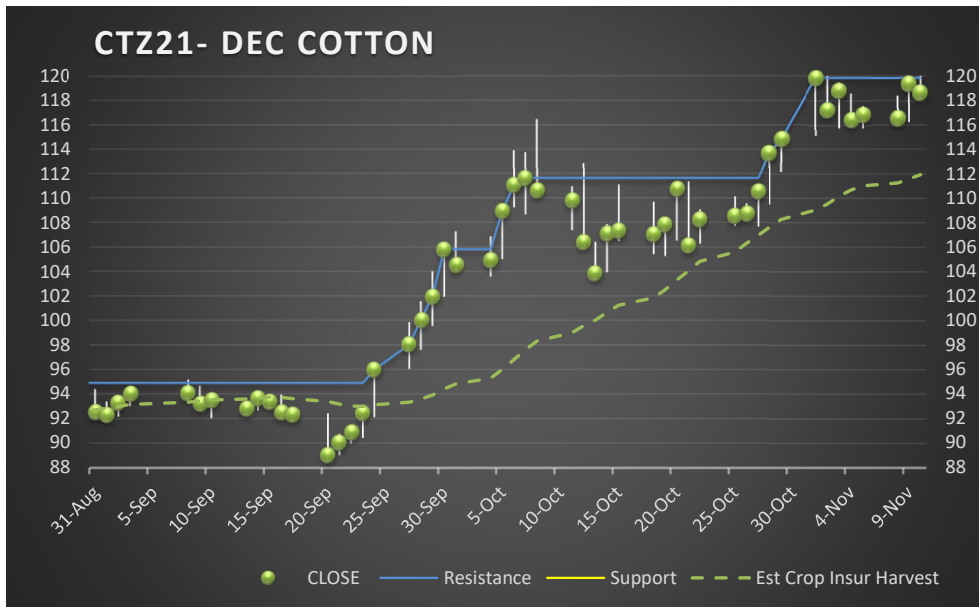
FUTURES PRICING SIGNALS	\$ 12.00	\$ 10.73	\$ 10.75
1) Futures as of 11/10/2021 =====>	\$12.04	4.29	
2) What is Crop Insurance doing?	<u>2021</u>	<u>2020</u>	
a) Base Price	\$ 11.54	\$ 9.36	
b) Harvest Price (PENDING)	\$ 12.31	\$ 9.15	
3) Fundamentals - where are prices headed?			
a) Seasonality	DOWN		
b) Ending Stocks	DOWN		
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)		\$ 13.99	
b) Support (Lowest Close last 100 Days)		\$ 11.78	
c) Moving Average		Change	% Change
5 day	\$ 11.97	-28	-2.27%
20 day	\$ 12.22	8 1/4	0.69%
50 day	\$ 12.49	-99 3/4	-7.65%
100 day	\$ 12.95	-109 1/2	-8.34%
YTD	\$ 12.82	82 3/4	7.38%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	75%	\$13.46	SX21
Unpriced	25%	\$12.04	SX21
Open Options		\$0.00	Cap @ 13.00
Closed Positions		-\$0.02	
Current Value	100%	\$13.08	SX21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			

COTTON SUPPLY & DEMAND					
WASDE as of 11/09/21					
	19/20	20/21	21/22	22/23	23/24
	WASDE-618	WASDE-618	WASDE-618	Estimate	Estimate
Planted	13.74	12.09	11.19	12.00	12.80
Harvested	11.61	8.28	9.92	9.90	10.60
Yield	823.0	847.0	880.0	865.0	870.0
Beg Stocks	4.85	7.25	3.15	3.40	3.92
Production	19.91	14.61	18.20	17.84	19.21
Imports	0.01	-	0.01	-	-
Total Supply	24.77	21.86	21.35	21.24	23.13
Domestic Use	2.15	2.35	2.50	2.55	2.60
Exports	15.53	16.37	15.50	14.78	15.68
Total Demand	17.68	18.72	18.00	17.33	18.28
End Stocks (ES)	7.25	3.15	3.40	3.92	4.85
Stocks to Use	41%	17%	19%	23%	27%
USDA Price	\$ 59.60	\$ 66.30	\$ 90.00	-	-
Futures as of 11/10/2021			\$118.68	\$91.20	

FUTURES PRICING SIGNALS			
	\$ 82.00	\$ 77.00	\$ 77.00
1) Futures as of 11/10/2021	=====>	\$118.68	77
2) What is Crop Insurance doing?		<u>2021</u>	<u>2020</u>
a) Base Price		\$80.00	\$70.00
b) Harvest Price (PENDING)		\$112.00	\$63.00
3) Fundamentals - where are prices headed?			
a) Seasonality		DOWN	
b) Ending Stocks		DOWN	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)			\$119.84
b) Support (Lowest Close last 100 Days)			\$ 84.90
c) Moving Average		Change	% Change
5 day	\$117.59	-0.14	-0.12%
20 day	\$112.73	14.82	14.27%
50 day	\$104.16	24.45	25.95%
100 day	\$ 97.11	33.50	39.33%
YTD	\$ 89.25	43.27	57.38%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	90%	\$0.9301	CTZ21
Unpriced	10%	\$1.1868	CTZ21
Open Options		-\$0.0053	CTZ21
Closed Positions		-\$0.0086	
Current Value	100%	\$0.9419	CTZ21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
11 Sell 10% CTZ21 using Futures/HTA @ \$120.00 OB			